

Notice of Meeting

All the Shareholders,

Notice is hereby given to all the shareholders of SHAHTAJ SUGAR MILLS LIMITED that the 60th Annual General Meeting of the Company will be held on Wednesday, the 28th January, 2026, at 11:00 AM at Beach Luxury Hotel, M.T. Khan Road, Karachi, to transact the following business:

A. ORDINARY BUSINESS

1. To confirm the minutes of the last Annual General Meeting held on 27th January, 2025.
2. To consider and adopt audited Financial Statements of the Company for the year ended 30th September, 2025, together with Auditors' and Directors' Reports thereon.
3. To approve a cash Dividend @ 12.5% i.e. Rs. 1.25 per share for the year ended 30th September, 2025 as recommended by the Directors.
4. To appoint Auditors of the Company for the year 2025-2026 and to fix their remuneration. The present Auditors, M/s. BDO Ebrahim & Company, Chartered Accountants, being eligible, have offered themselves for reappointment.

B. SPECIAL BUSINESS

5. Related Parties Transactions:

To consider, and if thought fit, to pass the following resolutions as Special Resolutions.

- 'RESOLVED that the transactions carried out by the Company in the normal course of business with related parties for the period October 1, 2024, to date be and are hereby ratified, approved and confirmed.'
 - 'FURTHER RESOLVED that the Chief Executive Officer of the Company or his nominee be and is hereby authorized to approve all the transactions carried out and to be carried out in the normal course with related parties till the next Annual General Meeting of the Company and in this connection the Chief Executive Officer of the Company or his nominee be and is hereby authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company.'
6. To transact any other ordinary business with the permission of the Chair

By Order of the Board



(Jamil Ahmad Butt)
Company Secretary

Karachi
6th January, 2026

NOTES:

(1) BOOK CLOSURE:

The register of members of the Company will remain closed from 20th January, 2026, to 29th January, 2026 (both days inclusive). Transfers received in order by the Company's Share Registrar, M/s. JWAFFS Registrar Services (Pvt.) Limited, Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi, by the close of business on 19th January, 2026, will be considered in time for registration in the name of the transferees, and be eligible to attend and vote at the meeting.

(2) PARTICIPATION IN THE MEETING

- a) Members, holding physical shares and holders of CDC Accounts and Sub-accounts for the Company's shares in Central Depository Company Limited, who wish to attend this Meeting may do so by identifying themselves through their original CNIC/Passport and providing a copy thereof.
- b) In case of a corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and attested copy of a valid CNIC of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

(3) APPOINTING PROXIES:

- a) A member entitled to attend and vote at the General Meeting is also entitled to appoint another member as a proxy to attend and vote on his / her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its officials or any other person, through Board Resolution / Power of Attorney. The instrument appointing a proxy must be received at the Registered Office of the Company or at the office of our Share Registrar or through email at jamilbutt@shahtaj.com, not less than 48 hours before the time of the meeting. A copy of resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.
- b) CDC Account Holders, while appointing proxies, will follow the prescribed guidelines as under:
 - i) The proxy form shall be witnessed by two persons whose names, addresses, and CNIC numbers shall be mentioned on the form.

- ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii) In case of a corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and an attested copy of a valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with the proxy form to the Company.
- iv) The proxy shall produce his / her original CNIC or original passport at the time of the AGM.
- c) A blank proxy form is enclosed with this notice.

(4) CHANGE OF ADDRESS

Members are requested to immediately inform the Company's Share Registrar of any change in their mailing address.

(5) DEDUCTION OF INCOME TAX

As per the provisions of Section 150 of the Income Tax Ordinance, 2001 ("Ordinance"), different rates are prescribed for the deduction of withholding tax on the amount of dividend paid by the companies. The Current withholding tax rates are as under:

- (a) For the persons whose names are appearing on ATL: 15%
- (b) For the persons whose names are not appearing on ATL: 30%

All the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of the Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of dividend, otherwise tax on their Dividend will be deducted @ 30% instead of @ 15%.

The Corporate Shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective Participants, whereas corporate physical shareholders should send a copy of their NTN certificates to the Company or the Company's Share Registrar and Share Transfer Agent, M/s. JWAFFS REGISTRAR SERVICES (PVT) LIMITED.

The shareholders, while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective Folio Numbers.

As per FBR's clarification, the valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47B of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in the above Clause must provide valid Tax Exemption Certificates to our Shares Registrar; otherwise, tax will be deducted on the dividend amount as per the rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly, as per the clarification issued by the FBR, withholding tax will be determined separately on 'Filer / Non-Filer' status of the Principal shareholder as well as Joint-holder(s) based on their shareholding proportions. All shareholders who hold shares jointly are therefore requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Shares Transfer Agent in writing as follows:

Folio / CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

(6) ELECTRONIC DIVIDEND MANDATE

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividends to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to provide details of the bank mandate specifying:

Title of Account, Account Number, Bank Name, Branch Name and Code, IBAN Number.

In case shares are held in physical form, please send this information duly signed along with a valid copy of their CNIC to the registrar of the Company, M/s. JWAFFS REGISTRAR SERVICES (PVT) Limited.

In case shares are held in CDC, then the Electronic Mandate Form must be submitted directly to the shareholder's broker participant/CDC account.

In case of non-receipt of the information, the company will be constrained to withhold payment of the dividend to such shareholders.

(7) DECLARATION OF RESIDENTIAL STATUS.

Non-resident shareholder(s) shall submit a declaration of such undertaking with a copy of a valid passport under the definition contained in Section 82 of the Income Tax Ordinance, 2001, for the determination of their residential status for the purposes of tax deduction on dividend to the Company Share Registrar, latest by January 18, 2026. The member may send a declaration using a standard format as placed on the Company's websites.

(8) PARTICIPATION THROUGH A VIDEO CONFERENCING FACILITY

The shareholders can now participate in the AGM proceedings via

video link also. Those members who are willing to attend and participate in the AGM via link are requested to register themselves by sending an email along with the following particulars and a valid copy of both sides of Computerized National Identity Card (CNIC) at Jamilbutt@shahtaj.com with subject of 'Registration for AGM' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio / CDC Account No.	Cell No.	Email Address

Members who will be registered, after necessary verification as per the above requirement, will be provided a password protected video link by the Company via email. The said link will remain open from 11:15 a.m. on the date of AGM till the end of the meeting.

(9) UNPAID DIVIDEND

An updated list of unclaimed dividends / Shares of the Company is available on the Company's website. It lists unclaimed dividends/shares which have remained unclaimed or unpaid for a period of three (3) years from the date these have become due and payable. Claims can be lodged by shareholders on a claim form, which is available on the Company's website. Claim forms must be submitted to the Company's Share Registrar, M/s. JWAFFS Registrar Services (PVT) Limited.

(10) CONVERSION OF PHYSICAL SECURITIES INTO BOOK ENTRY FORM

As per Section 72 of the Companies Act, 2017, every listed company is required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e., May 30, 2017. Further, vide its letter dated March 26, 2021, SECP has directed all the listed companies to pursue its shareholder for conversion of their physical securities into book entry form.

In light of the aforementioned directives, the Shareholders having physical shares are encouraged to open a CDC account with CDS participant/CDC Investor Account Services and convert their existing physical securities into book entry form.

(11) POSTAL BALLOT

Pursuant to the Companies (Postal Ballot) Regulations 2018, members are allowed to exercise their right to vote by post for the businesses classified as special businesses.

Intending shareholders shall ensure that duly filled-in and signed Ballot Papers, along with a copy of a valid CNIC, reach the Chairman of the meeting through post at the Company's registered address, Shahtaj Sugar Mills Limited, by 27th January 2026. Or

email at chairman@shahtaj.com on or before the date during working hours. The signature on Ballot Papers should match with signatures on CNIC. For the convenience of shareholders, a specimen of Ballot Paper is attached. Ballot Paper is also available on the Company's website www.shahtajsugar.com for download.

(12) E-VOTING

Pursuant to Companies (Postal Ballot) Regulations 2018, members are allowed to exercise their right to vote through electronic voting facility for all businesses classified as Special Business.

Details of E-Voting facility will be shared through email with those members of the Company who have their valid CNIC numbers, Cell numbers, and email address available with the Company by the close of business on 21st January, 2026.

The web address, login details, and password will be communicated to the members via email. The security code will be communicated through SMS from the web portal of Digital Custodian Company (being the e-voting service provider).

Identity for the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

E-voting lines will open from 25th January, 2026, at 9.00 A.M. and shall close on 27th January, 2026 at 5.00 P.M. Members can cast their votes any time during this period. A vote once cast by a member will not be allowed to be changed.

(13) TRANSMISSION OF THE ANNUAL REPORT

In terms of approval of the shareholders of the Company in their Extraordinary General Meeting held on 29th May, 2023, and pursuant to SECP's Notification No. SRO 389(1)/2023 dated 21st March, 2023, the Annual Report for the financial year ended on 30th September, 2025 of the Company containing inter alia the audited financial statements, auditors' report, directors, and chairman's reports thereon may be viewed and downloaded by following QR code and weblink:

Weblink: <https://shahtajsugar.com/financial-reports>

QR Code:



The Annual Report will be emailed to those shareholders whose valid email address will be available with the Company.

The shareholders who wish to receive a hard copy of the Annual Report may send to the Company Secretary/Share Registrar, the Standard Request Form available on the website of the Company www.shahtaj.com. The Company then will provide a free of Cost hard copy of Annual Report to the shareholders within one week of the request.

(14) PROHIBITION OF GIFTS TO SHAREHOLDER

In compliance to SECP Notification No. SRO452(1)/2025 dated March 17, 2025 it is notified that no gifts will be distributed to the shareholders at the meeting.

Statement of Material Facts

Under Section 134(3) of the Companies Act, 2017 FOR SPECIAL BUSINESS AT AGENDA ITEM NO. 5

The transactions carried out in the normal course of business with related parties are approved by the Board of Directors of the Company as recommended by the Audit Committee on quarterly basis pursuant to Code of Corporate Governance 2019. In the case of related parties, as mentioned below, a majority of the Directors were common and / or shareholder in related parties and in accordance with the provisions of Section 207 of the Companies Act, 2017, the quorum of the directors could not be formed for approval of these transactions, as viewed by Securities and Exchange Commission of Pakistan. Therefore, these transactions are being placed before the shareholders of the Company for their approval through a special resolution proposed to be passed in the Annual General Meeting.

In view of the above, the normal business transactions conducted for the period from 01 October 2024 to 30 September 2025 with related parties as per the following details are being placed before the shareholders of the Company for their consideration and approval/ratification.

Name of Related Party	Nature of Transaction	Rs. in (thousand)
Shahtaj Textile Limited	Dividend Received	1,150
Shahnawaz (Private) Limited	Purchases and Services Received	932
	Utilities paid	436
	Loan obtained	100,000
	Interest Charged	888
Shezan International Limited	Sale of Sugar	507,198
Shezan Services (Pvt.) Limited	Loan obtained	50,000
	Interest Charged	10,316
Information Systems Associates Limited	Purchases & Services	162
Staff Provident Fund Trust	Contributions Paid	5,816
State Life Insurance Corporation of Pakistan	Premium Paid	1,529

The name of Directors and nature of their interest in the proposed resolution is as under:

Name of Directors	Shahtaj Textile Ltd.	Shezan International Limited	Shahnawaz (Pvt.) Ltd.	Information System Associates Ltd.	Shezan Services (Private) Limited	State Life Insurance Corporation of Pakistan	KSB Pumps Company Limited
Mr. Muneer Nawaz	Chairman	Chairman	Director	Chairman	Chairman	-	-
Mrs. Sadia Muhammad	Director	Director	-	-	-	-	-
Mr. Abid Nawaz	Director	Director	Director	-	Director	-	-
Mrs. Samia Shahnawaz Idris	Shareholder	Shareholder	Shareholder	Shareholder	-	-	-
Mr. Rashed Amjad Khalid	Shareholder	Director	Shareholder	-	Director	-	-
Mr. Toqueer Nawaz	Director	Shareholder	Shareholder	-	-	-	-
Mr. Mushtaq Ahmad	-	-	-	-	-	Key Management Personnel	-
Mr. Asim Rafiq	-	-	-	-	-	-	Director

The Company would be conducting Transactions with related parties in the normal course of business. The majority of the Directors are common and/or shareholder in related parties as detailed herein above Agenda item No. 5 and in accordance with the provisions of Section 207 of the Companies Act, 2017, the quorum of the Directors would not be forming for approval of related party transactions, as viewed by Securities and Exchange Commission of Pakistan. Therefore, in order to comply with the provisions of Code of Corporate Governance 2019, the shareholders of the Company may authorize the Chief Executive of the Company or his nominee to approve transactions already carried out from 01 October 2025 and to be carried out in the normal course of business with related parties till the next Annual General Meeting of the Company.

The names of Directors and the nature and extent of their interest in the proposed resolution is the same as detailed in the statement above.